

2000 No. 747

SOCIAL SECURITY

**The Social Security Contributions
(Notional Payment of Primary Class 1 Contribution)
Regulations 2000**

Made - - - - 13th March 2000
Laid before Parliament 14th March 2000
Coming into force 6th April 2000

The Treasury, with the concurrence of the Secretary of State for Social Security in so far as required, in exercise of the powers conferred on them by sections 3(2), 6A(2) and (7), 119, 122(1) and 175(3) and (4) of the Social Security Contributions and Benefits Act 1992(a), and of all other powers enabling them in that behalf, and the Commissioners of Inland Revenue, in exercise of the powers conferred on them by paragraphs 1(1) and (8A) and 6(1) of Schedule 1 to the Social Security Contributions and Benefits Act 1992(b), and of all other powers enabling them in that behalf, hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Social Security Contributions (Notional Payment of Primary Class 1 Contribution) Regulations 2000 and shall come into force on 6th April 2000.

Interpretation

2. In these Regulations unless the context otherwise requires—
“the Contributions and Benefits Act” means the Social Security Contributions and Benefits Act 1992;
“the principal Regulations” means the Social Security (Contributions) Regulations 1979(c);
“section 6A(2)” means section 6A(2) of the Contributions and Benefits Act.

(a) 1992 c. 4. Section 3(2) was amended by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2) (“the Transfer of Functions Act”). Section 6A was inserted by paragraph 3 of Schedule 9 to the Welfare Reform and Pensions Act 1999 (c. 30) with effect from 22nd December 1999 by virtue of article 2(a) of S.I. 1999/3420 (c. 92). Section 119 was amended by paragraph 25 of Schedule 3 to the Transfer of Functions Act. Section 122(1) is cited because of the meaning ascribed to the word “prescribe”. Section 175(4) was amended by paragraph 29 of Schedule 3 to the Transfer of Functions Act.

(b) Paragraph 1 was amended by paragraph 31 of Schedule 3 to the Transfer of Functions Act. Paragraph 6(1) was amended by paragraph 77(8) of Schedule 7 to the Social Security Act 1998 (c. 14) and paragraph 35(2) of Schedule 3 to the Transfer of Functions Act.

(c) S.I. 1979/591; relevant amending instruments are S.I. 1981/82, 1983/10 and 496, 1984/77, 1985/396, 1986/485, 1987/413 and 2111, 1988/992, 1989/1677, 1990/605, 1992/97 and 1440, 1996/1245 and 2407, and 1999/567 and 568.

Introductory

3. Section 6A(2) (notional payment of primary Class 1 contribution where in any tax week payment of earnings is not less than the current lower earnings limit but does not exceed the current primary threshold) has effect subject to the modifications and exceptions prescribed by regulations 4 to 6 of these Regulations.

Prescribed modifications and exceptions

4. The modification prescribed by this regulation is that section 6A(2) has effect to the extent only that, if the amount of earnings paid in the tax week concerned had exceeded the current primary threshold, the earner would have been liable or entitled under the Contributions and Benefits Act and the principal Regulations to pay a primary Class 1 contribution in respect of those earnings.

5. The exception prescribed by this regulation is that section 6A(2) does not have effect for the purposes of regulation 32 of the principal Regulations (return of contributions)(a).

6. The modification prescribed by this regulation is that, where the earner is a woman who has made an election under regulation 100 of the principal Regulations(b) (elections by married women and widows for liability to pay primary Class 1 contributions at the reduced rate) and that election has not ceased to have effect, section 6A(2) has effect as if the primary Class 1 contribution there referred to had been paid at the reduced rate.

[Regulations 7 to 9 revoked by reg. 157 of S.I. 2001/1004 as from 6.4.01.]

	<i>Bob Ainsworth</i> <i>Greg Pope</i>
9th March 2000	Two of the Lords Commissioners of Her Majesty's Treasury
	<i>Alistair Darling</i>
11th March 2000	The Secretary of State for Social Security hereby concurs
	<i>Steve Matheson</i> <i>Tim Flesher</i>
13th March 2000	Two of the Commissioners of Inland Revenue

(a) Regulation 32 was amended by S.I. 1984/77, regulation 11, S.I. 1987/2111, regulation 6, S.I. 1988/992, regulation 3, S.I. 1989/1677, regulation 3(5), S.I. 1992/97, regulation 3, S.I. 1992/1440, regulation 2, S.I. 1996/1245, regulation 4, S.I. 1996/2407, regulation 4, S.I. 1999/567, regulation 6 and S.I. 1999/568, regulation 11.
(b) Regulation 100 was amended by S.I. 1983/496, regulation 2.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 6A of the Social Security Contributions and Benefits Act 1992 (c. 4) (inserted by paragraph 3 of Schedule 9 to the Welfare Reform and Pensions Act 1999 (c. 30)) (“section 6A”) provides that, subject to any prescribed exceptions or modifications, a primary Class 1 contribution shall be treated, for any purposes relating to contributory benefits, as having been paid where in any tax week a payment of earnings to an earner in respect of his employment is not less than the current lower earnings limit but does not exceed the current primary threshold. These Regulations prescribe exceptions and modifications and also make consequential amendments to the Social Security (Contributions) Regulations 1979 (S.I. 1979/591) (“the principal Regulations”).

Regulation 1 provides for citation and commencement, regulation 2 provides for interpretation and regulation 3 introduces regulations 4 to 6.

Regulation 4 provides by way of a prescribed modification that section 6A has effect only to the extent that a primary Class 1 contribution would have been payable under the Social Security Contributions and Benefits Act 1992 and the principal Regulations if in the tax week concerned the earnings had exceeded the current primary threshold.

Regulation 5 provides by way of a prescribed exception that section 6A does not have effect for the purposes of regulation 32 of the principal Regulations (return of contributions).

Regulation 6 provides by way of a prescribed modification that, where an election under regulation 100 of the principal Regulations (elections by married women and widows for liability to pay primary Class 1 contributions at the reduced rate) is in force, section 6A has effect as if the deemed payment of the primary Class 1 contribution had been made at the reduced rate.

Regulation 7 makes consequential amendments to regulation 2 of the principal Regulations (earnings periods), and regulation 8 makes consequential amendments to regulation 123B of the principal Regulations (certain volunteer development workers to be self-employed earners).

Regulation 9 makes consequential amendments to the following regulations contained in Schedule 1 to the principal Regulations (income tax PAYE regulations applied to contributions with modifications) - regulations 13 (calculation of deduction), 25 (certificate of contributions paid) and 30 (return by employer at end of year).

